



September 22, 2020

The Honorable Douglas A. Ducey
Governor, State of Arizona
1700 West Washington St.
Phoenix, AZ 85007

Dear Governor Ducey:

Arizona-residents have seen significant delays and persistent challenges in receiving Congressionally approved and federally-funded unemployment benefits .

Despite the high-profile and constant coverage of the State's inability to deliver these benefits and provide common-sense solutions available to improve the situation, the Department of Economic Security (DES) has not effectively delivered unemployment payments to Arizonans and, to this date, has received little support from the Governor's Office. It is past due for you to take action to address challenges the agency is facing so that the tens of thousands of Arizonans whose benefits are backlogged can get the help they need and Congress authorized during these difficult times.

The first priority must be for DES to clear out the backlog of applicants in its system and to provide real and timely answers to the thousands waiting on critical support. Our offices often hear from constituents who have been waiting on DES for answers to why their unemployment claims payments have been delayed or denied since May, if not before. These delays are unacceptable and urgent action is necessary to provide assistance to those who have temporarily or permanently lost their jobs during this pandemic.

Second, it must be a top priority to replace the 35-year old software DES uses to manage unemployment claims. DES reports that this archaic, inefficient system has made it especially difficult to timely and adequately manage claims as well as identify and stop fraudulent claims without impacting legitimate ones. It is a significant failing of the State that past legislatures and governors have allowed an outdated, inadequate system to manage this basic DES function.

Third, the State must take steps to mitigate the alarmingly high attrition rates DES has experienced among temporary employees who are processing unemployment claims. We appreciate that DES hired more than 400 temporary employees to help process the flood of claims that have come in over the past six months. It is unacceptable that among these employees DES is experiencing a 35 percent to 40 percent attrition rate. The current \$14/hour rate offered to these employees is not competitive enough for the job responsibilities, and the staggering rate of departures only forces the State to spend more time and money to train new employees.

Scaling up the DES operation in such a short time period is not easy, and, understandably, there have been tough bumps along the way. However, this long after the pandemic began, those who need help the most deserve better. Also concerning is the lack of communication from your office as to how Congress can provide financial support or infrastructure necessary to quickly adjudicate the backlog in processing claims. For instance, the House-passed Heroes Act created a \$925 million fund from the Department of Labor to enable more efficient processing of claims, and we would like to continue the conversation about what more can be done.

We request scheduled briefings with your office and DES to explore ways to work together so that Arizonans receive benefits for their valid claims as quickly as possible. Thank you for your immediate attention to this matter, and we look forward to hearing from you soon.

Sincerely,



Greg Stanton
Member of Congress



Tom O'Halleran
Member of Congress